

RELEASE IN FULL

From: Mills, Cheryl D <MillsCD@state.gov>
Sent: Friday, June 19, 2009 7:25 AM
To: H
Subject: FW: ECA - UPDATE

FYI below – we are working on Acting.

From: McHale, Judith A
To: Mills, Cheryl D
Sent: Thu Jun 18 22:57:28 2009
Subject: ECA

Cheryl:

I imagine everything is quite crazy at the moment. I did not want to bother you today but would greatly appreciate it if you would please pass along my good wishes to HRC for a fast and good recovery. Hope she will be back on track soon. I am of course happy to help out in any way I can .

Also wanted to give you an update on ECA. Following up on our conversation over the weekend and as per your direction I have had a number of good conversations with the ECA team including Mara. Happy to report we are all on the same page with the career folks fully endorsing the plan. Details as follows:

- Grantee has been sanctioned
- IG is conducting investigation of grantee
- No further grants will be awarded to grantee pending outcome of IG investigation; probable outcome will be delisting of grantee
- Working with Pat Kennedy to develop plan for spot checks of all grantees and random student checks using existing Department resources

The IG investigation started today and as you predicted more information came out in the first meeting which led Miller to request a full investigation of the Youth Services Program which I agreed to.

PJ did the CNN interview this a.m. No doubt it will be a tough story but according to Miller it was an honest discussion. Have been keeping Casey's office in the loop and I plan to visit him personally. In the meantime I would like to move as soon as possible to put someone into the A/S position on an acting basis. Do you have anyone in mind or would you like me to make some suggestions?

JM